



Gerald J. Schweighart, Mayor & Liquor Commissioner

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January 24, 2005

Regulation Comments  
Chief Counsel's Office  
Office of Thrift Supervision  
1700 G St. NW  
Washington DC 20552

Attention: No. 2004-53 & 2004-54

To Whom It May Concern:

The City of Champaign, Illinois would like to go on record in opposition to the proposed weakening of the Community Reinvestment Act requirements for lending institutions with assets between \$250 million and \$1 billion. We believe that the proposal will result in a reduced incentive for private investment in low- and moderate-income communities. Eliminating the requirement for thrift institutions to report on their investments and service delivery would quite likely lead to a reduction in investments that are less profitable, i.e. investment in lower-income neighborhoods. It would also reduce incentives to build bank branches or provide other services in areas predominantly occupied by low-income households.

At a time when federal budgets for affordable housing and community development programs are in jeopardy, it is now more critical to encourage the investment of private capital in our cities' poorest neighborhoods. Since its inception in the late seventies, the Community Reinvestment Act has successfully led to \$4 trillion in loans and investments in low-income communities. We urge you to withdraw your proposal to weaken this critical piece of banking legislation.

Sincerely,

Gerald J. Schweighart  
Mayor